

5.9. KILLALOE LANDFILL FINAL CAPPING STAGE 3

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DEPARTMENT	Project Office

RECOMMENDATION

That Council:

- 1. Resolves to award Contract WO5350 – Killaloe Landfill Capping Stage 3 to Marrin Pty Ltd (ABN 48 010 889 237) for \$601,344.73 (GST exclusive).**
- 2. Delegates authority under s 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.**

EXECUTIVE SUMMARY

Douglas Shire Council requires a contractor to undertake the final capping layer (stage 3) at the Killaloe Landfill. The landfill has reached capacity and subsequently the final capping layer will conclude land filling activities at Killaloe Waste Transfer Station.

Douglas Shire Council will be undertaking the works as part of the 2022/23 Capital Works Budget. The project budget is \$900,000 (exclusive of GST) and there are no grants from external funding bodies to support this upgrade.

The primary challenge of the scope is constructing the works with minimal impact to users and operators located at the Killaloe Transfer station. There is significant material cartage required during the project with frequent traffic movements to cause potential risk to users of the facility. The project also requires stringent compliant requirements for environmental management.

All submissions were assessed by the evaluation committee. This evaluation process was weighted with 40% price criteria and 60% weighting for the non-price criteria.

Based on the results of the evaluation, Marrin Pty Ltd is the recommended tenderer for the contract. They provided a comprehensive submission in terms of strong understanding of the scope with experience to handle the cartage logistics and earthworks activities.

The offer from Marrin Pty Ltd was the second cheapest from the competing submissions, with a difference of \$136,015.13 from the cheapest submission received. Despite the price difference, Marrin has effectively identified all costs applicable to the works and addressed appropriate risk mitigation measures. The submission is well detailed and provides an opportunity for a local contractor to expand their project experience with the Douglas Shire Council. They provide the best overall value solution.

BACKGROUND

Douglas Shire Council requires a contractor to undertake the final capping layer (stage 3) at the Killaloe Landfill. The landfill has reached capacity and subsequently the final capping layer will conclude landfill activities at Killaloe Waste Transfer Station, except for ongoing care and maintenance.

The primary challenges with the scope are constructing the works with minimal impact to end users and operators located at the Killaloe Transfer station. There is significant material cartage required with frequent traffic movements. The project also requires stringent compliant requirements for environmental management.

COMMENTS

Council issued an open tender invitation through Vendor Panel for the WO5350 – Killaloe Landfill Capping Stage 3. The Vendor panel reference number is VP317126. Tables 1 & 2 indicates the submissions received.

Table 1. Received Submissions Summary

Tenderer	Located
Bulban Enterprises Pty Ltd	Bamboo, QLD
Marrin Pty Ltd	Whyanbeel, QLD
HEH Civil Pty Ltd	Cairns, QLD

Table 2. Received Submissions Summary

Tenderer	Price	Offer	Status
Marrin Pty Ltd	\$ 601,344.73	Comparative	Conforming
2	\$1,034,091.81	Comparative	Conforming
3	\$ 465,329.60	Comparative	Conforming

Evaluation of the submissions received was conducted by:

Table 3. Evaluation Panel Members

Position	Department
Project Manager	Project Office
Technical Officer	Resource Management (Waste & Recycling Services)
Team Leader, Water Reticulation	Water Department

An initial compliance check was conducted on received submissions to determine non-conforming and alternative offers from the requirements of the Request for Tender (RFT). This included compliance with the contractual requirements and provision of requested information. A summary of the compliance check is shown in Table 4.

Table 4. Tender Submission Conformance

Tenderer	Price	Offer	Status
Marrin Pty Ltd	\$601,344.73	Comparative	Conforming
2	\$1,034,091.81	Comparative	Conforming
3	\$465,329.60	Comparative	Conforming

The three submissions received were accepted by the evaluation panel for assessment on the basis that all terms, conditions, and mandatory requirements of the RFT had been substantively met.

During the evaluation process, submissions were assessed against the evaluation criteria detailed in the RFT documentation. Specific criteria were weighted according to their importance in delivering the project successfully and providing the best overall value for money solution in accordance with Council's procurement policies. The weighting attributed to each criterion is outlined in Table 5.

Table 5. Evaluation Criteria

Criteria	Weighting
Technical Capacity of Tenderer	15%
Business Profile (Local, Social and Sustainability)	20%
Program of Works	10%
Works Procedures and Methodology	15%
Price	40%

Each Tenderers score and rankings are shown in Table 6.

Table 6. Tenderer's Ranking and Scoring

Tenderer	Weighted Score					Ranking
	Price (40%)	Technical Capacity (15%)	Business Profile (20%)	Program (10%)	Methodology (15%)	
Marrin	34.18	11.3	19	7.3	13	1
2	40	8.5	18.7	6.8	10.5	2
3	15.67	12.3	15.7	6.2	11.8	3

The green shading in the above table indicates the highest score for the criteria and the red shading indicates the lowest score for the criteria. Based on the results of the evaluation, Marrin Pty Ltd is the recommended tenderer for the contract. Marrin Pty Ltd provided a comprehensive submission in terms identifying scope understanding and risk mitigation that supports and improves logistics and timeframes, so that operators and end users at the Killaloe Transfer Station are least impacted as practicable as possible. The submission also highlighted the contractor's capacity and experience to take on the scope. The offer from Marrin Pty Ltd was the second cheapest of the competing submissions.

PROPOSAL

It is proposed that Council adopts to accept the evaluation panel's award recommendations.

That Council:

1. Resolves to award Contract WO5350 – Killaloe Landfill Capping Stage 3 to Marrin Pty Ltd (ABN 48 010 889 237) for \$601,344.73 (GST exclusive).
2. Delegates authority under section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate, finalise and execute any and all matters in relation to this contract.

FINANCIAL/RESOURCE IMPLICATIONS

Council allocated \$900,000 in the capital works budget 2022/23, and there will be sufficient funds to undertake this work and associated costs.

RISK MANAGEMENT IMPLICATIONS

The selection of Marrin Pty Ltd provides some reduced risk by:

- Engaging a Local contractor who will be utilising subcontractors from the Douglas shire area.
- Contractor has significant understanding of the scope of works.
- The contractor has provided a detailed risk mitigation for work activities.
- The contractors proposed program consists of a 14-week construction timeline that is both reasonable and realistic and falls within Council's program to complete the works.

SUSTAINABILITY IMPLICATIONS

- Economic:** Support local businesses.
- Environmental:** The works are undertaken via legislative requirements in Environmental Management
- Social:** The works conclude landfill operations at Killaloe Waste Transfer Station. There is no impact to community as the Landfill is carted to from Killaloe to an approved Landfill Site.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector.

Council will partner with industry to build, diversify and promote the Douglas economy.

Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

Goal 1 - We will build appropriate infrastructure and deliver services that connect and support businesses.

Operational Plan 2022-2023 Actions:

Legislative requirement.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Builder/Owner Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

CONSULTATION

Internal: Consultation has occurred with Officers across all required departments during the preparation of the tender. Councillors were provided with a briefing paper the week prior to the Council meeting.

External: Tenders were received through public advertising of the project

COMMUNITY ENGAGEMENT

Not applicable as activities are a legislative requirement.

ATTACHMENTS

Nil